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United States
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Agriculture

Office of
Governmental
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Major News Releases and Speeches

Nov. 20- Dec. 4, 1981

IN THIS ISSUE:

Speeches—

Remarks prepared for delivery by Deputy Secretary of Agriculture Richard E. Lyng, Southern Seedsmen's Assn., Nov. 30, 1981, New Orleans, La.

Excerpts from remarks prepared for delivery by Secretary of Agriculture John R. Block before the Farmland Industries Annual Meeting, Kansas City, Missouri, Mo. Dec. 3, 1981

Excerpts from remarks prepared for Under Secretary Lodwick before the Kansas Livestock Association Convention and Trade Show, Wichita, Kan., Dec. 3, 1981

News Releases—

USDA Advises Consumers in 8 States to Return Meatball Product

USDA Warns Consumers Not to Eat Chicken Broth Product

October Consumer Price Index Release Reflects Food Price Decline

Food Marketing Alert: Holiday Foods Expected to be in Good Supply, Plenty of Poultry, Grapefruit, Pears, Cranberry Products, Apples and Nuts

USDA to Open Area Plant Protection Office in Lima, Peru

USDA Researchers Find Promising Natural Enemies of Gypsy Moth

USDA Announces 1982-Crop Peanut Marketing Quota and Allotments

1982 Flue-Cured Tobacco Quota Unchanged

USDA Trapping Results Show Gypsy Moth Spreading Out of Northeast

1981-Crop Wheat, Barley Producers to Receive Deficiency Payments

IN THIS ISSUE: (continued inside front cover)

IN THIS ISSUE: (Continued)

News Releases —

Block to Meet With European Community Commission President

USDA Releases Cost of Food at Home for October

USDA Charges ITT Continental Baking Co. with Violating P&S
Fair Trade Rules

Interstate Screwworm Regulations Lifted from 39 South Texas
Counties

USDA Reduces California Medfly Spray Areas

Farm Women's Forum Set for Feb. 7-9

Payments to States Total \$230 Million for 1981

Speeches

U.S. Department of Agriculture • Office of Governmental and Public Affairs

Remarks prepared for delivery by Deputy Secretary of Agriculture Richard E. Lyng, Southern Seedsmen's Assn., Nov. 30, 1981, New Orleans, La.

"Outlook for the '80's"

It would be convenient if the policy makers of this country could be like the Roman god Janus, after whom we name the month of January. Janus is depicted with eyes on opposite sides of his head. With one set of eyes Janus looks back into the past; with the other he peers into the future. From the serene manner in which old Janus is often depicted, you'd think he could see the future as clearly as the past.

Of course, we all know that foresight is considerably more difficult than hindsight. Yet, we do learn from experience that certain things can be said about the future with some assurance. In fact, if used properly, hindsight can become one of the most valuable tools in shaping the future.

I say this only because I'm becoming an old-timer of sorts on the agricultural scene. That means I like to reminisce on the good old days. But I'm also pleased to have this opportunity to talk about the future—about the things that may happen and the choices we ought to make.

In briefest summary, I foresee a scenario like this. A growing world demand for our agricultural exports will provide our farmers with the economic incentive for even greater production. By properly directing our research and development efforts, we will be able to improve the technical know-how to enlarge our productivity and our production. The profitability of agriculture will increase due to improved productivity combined with increasing demand, and most important, the government's role will decrease.

Although the experts may disagree about the exact timing, most conclude that foreign dependency on U.S. agricultural exports will increase. Even those analysts who assume slower economic and population growth during the eighties, forecast that world agricultural demand will expand at near record rates. The increases in the volume

of products demanded under this slower growth assumption would still be 25 to 50 percent greater than the increases we witnessed during the seventies.

Of course, when U.S. producers are burdened with large crops and depressed prices, they undoubtedly wish that the export boom would begin immediately. We all would like to see that. But the truth is, for a few years we may be faced with ups-and-downs in export demand as foreign nations struggle with their often inefficient and overly protected agricultural sectors. Yet there's reason to be optimistic. Other nations will not be able to subsidize high cost farm production indefinitely. The truth is that the agricultural budget of the European Economic Community is under strain. Japan is at the point where, in 1980, the subsidies for its rice programs alone totaled more than \$5 billion. Indeed, Japanese critics themselves estimate that the resource cost of agricultural protectionism in Japan during 1977-78 totaled \$15 billion. This is more than half of Japan's gross agricultural output! This will eventually change. As more and more travelers from all over the globe visit our U.S. supermarkets, the demand to permit entry of our products will be stronger.

As each of you here today know, the enormous gains in productivity of the American farmer have been due in large measure to the use of plant genetics and the introduction of improved varieties. Crop productivity for the six major cereal crops—corn, wheat, rye, barley, rice, and oats—increased by a full 261 percent during the last 45 years, while the productivity for all crops increased by 167 percent. However, today we find that crop yields for most of our important crops are beginning to plateau. To a large extent, this is caused by environmental stress—extremes of temperature and soil moisture, nutrient imbalance, soil infertility, air pollution, and other factors.

Environmental stress has become increasingly important in recent years. It will become even more important as plantings increase in marginal areas and groundwater supplies diminish. It's time for a choice—and at USDA we've already chosen to direct our research efforts toward this problem. Our scientists are working on new crop breeds resistant to various stress conditions. These breeding programs are primarily associated with vegetable crops, wheat, forage crops, small fruits, corn and soybeans.

As an example of success, USDA researchers at Prosser, Washington, released a number of dry bean varieties and genetic lines which are resistant to various common diseases and tolerant to heat, cold and drought. USDA researchers are also attempting to reduce the genetic vulnerability of crops to specific insect pests. We are researching gene transfer systems—"genetic engineering." For example, scientists from USDA and the University of Wisconsin recently developed a technology for moving genes from one kind of a plant to another. This moves us a step closer to making plants resistant to disease and environmental stress, increasing their nutritive value, and to making them capable of fixing nitrogen from the air.

Under the leadership of Secretary Block, we intend to continue these research efforts. They will enable us to open new lands to agricultural production and create varieties of crops that may even reduce the need for agricultural inputs. I have every reason to believe we will be successful. We've done it in the past, and we'll keep doing it in the future.

However, as we at the USDA proceed with our work, we will also review other programs to ensure that we are not developing crop varieties which the private sector could profitably develop on its own. In all cases where the know-how is established and where there seems to be a reasonable opportunity for profits, we will try to transfer the activity to the private sector. That's where it rightfully belongs.

In the last 25 years, more plant species have been chemically and biologically screened for useful properties than in all previous time. Nonetheless, this amounts to only a few pieces of information on about 11-12 percent of the species of higher plants. In other words, we have just started to scratch the surface regarding the economic potential of plants found on our earth. We will severely restrict our possibilities, and our children's possibilities, if we do not preserve the world's germplasm with the utmost care. This is a legitimate role of government—one that USDA intends to continue through the National Seed Storage Laboratory and the National Plant Germplasm System.

For most of you here today, increased exports will mean good things for your business. In addition, certain other changes may be taking place that could also affect your operations.

For example, our domestic population growth shows signs of rebounding. We are now a country of 230 million people. This year there will be a net increase of 2.1 million persons. While this 2.1 million figure is 800 thousand persons less per year than during the peak period of the fifties, it's also 600 thousand persons more per year than during the lowest growth period of the seventies. It seems that population growth is following a middle course—and it looks as if we may reach the middle range forecast of 260 million people by 2000. This increasing population, combined with the ever growing interest in good nutrition and the large numbers of immigrants with specialized food preferences, will all have an effect on the quantity, quality, and variety of the foods which consumers demand. It will mean new challenges and new profit opportunities for business.

Another change with which we are all familiar is the increased cost of energy during the past decade. Energy related costs are an important component of the food bill. In 1980 consumers spent \$260 billion for food. About 69 percent of this, or \$179 billion, went for marketing costs. A number of these marketing costs were energy related: fuel amounted to 5 percent of the marketing bill; 8 percent for rail and truck transportation; and 12 percent for packaging (which is energy intensive).

We all know that for every action there is a reaction. The large rise in energy related costs (transportation, for example, went up 261 percent from 1970 to 1980) is very likely increasing the cost advantages of local producers. In addition to saving on transportation, local producers can dispense with elaborate packaging, customize their output, and market at the right degree of ripeness. A USDA study of six states showed that about 15 percent of the farmers sold produce directly to the consumer—through roadside stands, farmers' markets, and pick-your-own sites. While the overwhelming majority of the farmers selling directly to market were smaller producers, it's interesting to note that medium-sized farms, with sales over \$200,000, accounted for one-third of the total sales made directly to consumers. Thus, it seems that farmers with operations of different sizes—from the smallest hobby farms to medium-sized farms—are displaying an interest in direct marketing. This phenomenon bears watching as these producers may develop special needs.

I want to thank you for this opportunity to share my thoughts about the future. None of us are entitled to the complacency of the old god Janus—we do have some difficult decisions to make. But I think that the prospects for the future are very good indeed. Our exports will expand; government, the private sector, and academia will better delineate their respective research roles; and changing consumer preferences and marketing trends will bring some intriguing challenges. Thank you.

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Excerpts from remarks prepared for delivery by Secretary of Agriculture John R. Block before the Farmland Industries Annual Meeting, Kansas City, Missouri, Mo. Dec. 3, 1981

I don't want to spend a lot of time talking to you today about the problems we're facing in agriculture. I'm certain that all of you are keenly aware of the situation—especially the burden that high interest rates, inflation and low market prices have placed on our industry. You also know what some of the forecasts and predictions have been when we talk in terms of net farm income.

What we have to keep in mind is that forecasts and predictions have not always proven to be right. Outlooks, such as ours at the USDA, are based on the most accurate, reliable and timely information available. Yet, they are not always right. All of us have been involved in agriculture long enough to know that there are unknown factors that can make situations change dramatically during any given year. Agriculture has always been faced with these unknown factors—the many things that can possibly happen once you have put those seeds in the ground during the spring. Personally, this is part of the reason that agriculture has always been exciting for me. It is an industry that involves considerable risk—but it also offers the opportunity for unexpected surprises. It is an industry that offers new challenges each and every year.

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I'm not suggesting that prosperity is going to fall into our laps. It's going to require a lot of effort. It's going to require a lot of patience. When it has taken decades for our country to create such an economic mess—we shouldn't be surprised if it's going to take more than just a few months to work our way out. But I believe that our nation still possesses the pride and the spirit to get the job done. And I believe agriculture will take a strong lead in this effort.

This is one of the reasons why I strongly support the concept and practice of agricultural cooperatives such as Farmland Industries. In a very real sense, you embrace the spirit, the pride and the meaning of American agriculture.

As you know, a major element in the President's program involves returning more responsibility to the private sector. He feels that if the government clears the road, the people of this nation will be able to use more of their own ingenuity to solve the problems in their businesses and in their communities.

It gives me great pride in our agriculture industry when I see that cooperatives such as Farmland have already been taking this initiative—long before it was suggested by the government. Farmland, for example, has been working closely with the Extension Service in virtually every area of Extension's educational efforts.

You are to be complimented for your work in integrated pest management, and for the aggressive role you have played in conducting development programs for your members. I am also pleased to note that Farmland has worked closely with a special project conducted by Texas A&M Extension and Research staff in the area of grain exporting.

We all know how important the export market is to American agriculture. In fiscal year 1981, the production of almost two out of every five harvested acres in the United States was exported. And one out of every \$4.50 earned by the U.S. farmer came from overseas sales. For some farmers, the ratio was even higher. That makes exports not only important, but it also makes them essential to the future prosperity of our industry.

No one realizes this more than the members of Farmland Industries. As you recall, a while back your co-op surveyed some of its

members to determine how Farmland should spend its marketing money in the coming years.

Your response was to boost exports. And that, of course, is one of our highest priorities for agriculture in the Reagan administration. But we can't do it on our own. That's why our plan is aimed at increased participation by the private sector and less interference by the government. In fact, any action taken by the government is going to be where it counts—credit programs, market intelligence and representation to foreign governments and other buying entities.

During the past 10 months we have sent several trade teams to areas throughout the world. I have personally consulted with agriculture leaders in the European Community and the Far East. Next week I will be in Mexico. And sometime early next year we will be talking with the Soviet Union about a new long-term agreement between our two nations.

I am convinced that the world market will offer much more potential for U.S. agriculture, once we have dealt with the trade policies and practices which we believe to be contrary to free and even-handed trade. In short, we in the United States intend to compete hard in the international marketplace, and we want to compete fairly. We expect other countries to do the same.

Of course, our export potential will not be reached overnight. We have all learned from past experience that a long-lasting, sound prosperity takes time to achieve. The support that Farmland has given to the President's program tells me that you are willing to accept this fact. It tells me that you understand that long-term solutions are much better than those crash programs we have seen fail so many times in the past.

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**Excerpts from remarks prepared for Under Secretary Lodwick before
the Kansas Livestock Association Convention and Trade Show,
Wichita, Kan., Dec. 3, 1981**

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Many of you are interested in our policy concerning nutrition and dietary goals. Good nutrition—the health of people all over the world—is important to American agriculture. Likewise, a productive and reliable agriculture is important to our nutritional efforts. The Department of Agriculture feels a very strong responsibility to food and human nutrition information, education and research. This is not a responsibility we are taking lightly. But I can assure you we will not be approaching the subject aimlessly, without considering all of the facts behind any particular action that we may take.

Some of you may recall hearing reports that I announced the continued publication of our Dietary Guidelines. We received several calls and letters concerning that report, since a number of agricultural organizations had questioned certain portions of that publication. I would like to use this opportunity to set one thing straight.

It is true—I announced we would not rescind publication of our Dietary Guidelines. But I also said something else at the time of that announcement. I said we would be updating the guidelines to reflect current scientific knowledge. In other words, I can assure you that once our current supply is exhausted, the guidelines will be reviewed line by line before they are reprinted.

Let's shift gears to another area I want to discuss briefly with you you—agricultural exports. Particularly meat exports.

Agricultural exports have been one of the fastest growing segments of the U.S. economy. In fact, we have grown to a point where these exports are not only important, but also essential to the survival of agriculture. The Department of Agriculture has developed a comprehensive plan for export expansion—a plan aimed at increased participation by the private sector and less interference by the government. The continued cooperation between the USDA and the U.S. Meat Export Federation is a major example of how beneficial this type of private participation can be.

We are also working with many of our foreign trading partners to reduce trade barriers on many of our agricultural products, including meat. I have personally traveled to Europe and the Far East to consult with agriculture leaders on this subject. We've seen some success, and we expect more in the future as we continue our conversations.

While in Europe, for example, I received assurances that the European Community would fully honor its commitment to allow 10,000 metric tons of high-quality U.S. beef to enter the Community—levy free. As you recall, there was some question as to whether that quota would be fulfilled.

In Japan, one of our foremost concerns is to improve access for U.S. high-quality beef. Granted, the Japanese demand for our beef continues to be relatively strong, but there is room for improvement. We expect that in the new round of talks on high-quality beef, scheduled for the latter half of Japan's fiscal 1982, Japan should come forward with an agreement to liberalize its imports. While I was in Japan this past October, I continued to press for an even earlier renegotiation date. Our goal, of course, is to see a complete liberalization of Japan's beef restrictions.

These are just some of the examples of how the government is attempting to clear the road so that the private sector can function more efficiently.

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News Releases

U.S. Department of Agriculture • Office of Governmental and Public Affairs

USDA ADVISES CONSUMERS IN 8 STATES TO RETURN MEATBALL PRODUCT

WASHINGTON, Nov. 20—A U.S. Department of Agriculture official today said consumers in eight states should return a canned macaroni and meatball product with a specific code number to the stores where they bought it because metal fragments were found in a can by a consumer in Springfield, Ill.

Donald L. Houston, administrator of USDA's Food Safety and Inspection Service, said the product is "Chef Boy-Ar-Dee Rollercoasters Wavy Macaroni with Meatballs."

The 15-ounce cans have the code number "I091A/LS/EST-1401," which is embossed on the bottom of the can, he said.

Houston said consumers should not sample the product before returning it to the store.

The product, manufactured by American Home Foods, Inc., at its La Porte, Ind., plant, is being voluntarily recalled by the firm as a precautionary measure from retail outlets in Illinois, Iowa, Kentucky, Michigan, Missouri, Ohio, Tennessee and Texas.

"At this time the recall involves only this Chef Boy-Ar-Dee product and only this code number," Houston said.

"USDA compliance officers are collecting additional samples of the product for analysis to determine the extent of the problem. At this time, however, the problem seems to be an isolated one."

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USDA WARNS CONSUMERS NOT TO EAT CHICKEN BROTH PRODUCT

WASHINGTON, Nov. 20—Consumers should not eat chicken broth from 13-1/2 oz. cans produced by Sweet Sue Kitchens, Inc., Athens, Ala., with the production code 1B084 and the plant code P-732 on the label, a U.S. Department of Agriculture official said today.

Laboratory tests indicate that some product might contain C. botulinum Type A, which produces a deadly toxin, said Donald L. Houston, administrator of USDA's Food Safety and Inspection Service.

Consumers should destroy the cans or return them to the store where they bought them, Houston said.

"Sweet Sue Kitchens has directed its distributors to locate and return all product with code 1B084 to the plant," Houston said. "There have been no illnesses reported as a result of people eating the product."

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OCTOBER CONSUMER PRICE INDEX RELEASE REFLECTS FOOD PRICE DECLINE

WASHINGTON, Nov. 24—Lower prices for fresh fruit and vegetables, beef, and poultry last month pushed the October consumer price index (CPI) for food down 0.1 percent (before seasonal adjustment), according to Assistant Secretary of Agriculture William Leshner. "This brought the food CPI to a level 5.8 percent higher than a year earlier," Leshner said.

He said moderate monthly food price rises are expected for November and December, bringing the 1981 annual food price increase to about 8 percent, the third consecutive year that food prices have risen less than nonfood prices. "Next year's food price rise is expected to be about 7 percent," Leshner said.

Leshner made his comments today following the release of the October CPI by the U. S. Department of Labor's Bureau of Labor Statistics.

As in 1981, a small increase in the farm value of foods will limit the 1982 food price rise. Higher food marketing costs will be the main cause of retail food price increases, but these costs will be held down as the general inflation rate slows.

Food prices at grocery stores fell 0.4 percent, while prices for meals purchased away from home rose 0.5 percent (before seasonal adjustment). Fresh fruit and vegetable prices fell 4.7 percent in October due to larger production and lower prices for apples, oranges, potatoes,

and lettuce. Beef and poultry prices were down 0.8 and 1.6 percent, respectively, due to increased slaughter.

Regarding prices for other foods, higher marketing costs pushed prices for cereals and bakery products up 0.3 percent. Dairy products prices rose 0.1 percent, as continued large milk production pushed the farm value down nearly enough to offset higher marketing costs. The sugar and sweets CPI fell 0.4 percent as increased global sugar production this year continues to put downward pressure on sugar prices. Large global coffee production pushed retail coffee prices down again, but higher prices for cola drinks were offsetting, leading to a 0.3 percent rise in the nonalcoholic beverages CPI.

Total per capita food consumption in 1982 is expected to increase slightly, mainly because of large stocks of dairy products and increased production of cereals, beef, and fresh vegetables. Declining consumption of pork, eggs, and processed fruits and vegetables will be partly offsetting.

October Retail Food Prices, Percent Changes for Selected Items

Items	September to October 1981		
	Not	Seasonally	October 1980
	seasonally	adjusted	to
	adjusted		October 1981
	Percent change		
All food	-0.1	0.3	5.8
Food away from home	.5	.7	8.5
Food at home	-.4	.1	4.7
Meats	-.3	.3	1.5
Beef and veal	-.8	-.3	-.3
Pork	.2	*	5.7
Poultry	-1.6	.8	-6.0
Eggs	-1.5	3.1	6.0
Fish and seafood	-.5	*	7.2
Dairy products	.1	-.1	5.1
Fats and oils	.0	.4	9.1
Cereals and bakery products	.3	*	8.4

COST OF FOOD AT HOME FOR A WEEK IN OCTOBER 1981 (Continued)

Items	September to October 1981		
	Not	Seasonally	October 1980
	seasonally	adjusted	to
	adjusted		October 1981
	Percent change		
Fruits and vegetables	-2.3	-1.5	8.3
Nonalcoholic beverages	.3	1.1	2.4
Sugar and sweets	-.4	.2	-2.5
Other prepared foods	.6	*	10.1

* No seasonally adjusted index available.

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**FOOD MARKETING ALERT: HOLIDAY FOODS
EXPECTED TO BE IN GOOD SUPPLY; PLENTY OF
POULTRY, GRAPEFRUIT, PEARS, CRANBERRY
PRODUCTS, APPLES AND NUTS**

WASHINGTON, Nov. 25—Traditional holiday foods—from turkey to nuts—will be in plentiful supply for December, according to U.S. Department of Agriculture marketing specialists.

There'll be lots of poultry, grapefruit, fresh winter pears, fresh apples, processed cranberry products, raisins, nuts, beef and pork.

The marketing specialists said this year's turkey supply should be 11 to 15 percent greater than a year ago and the 1978-80 average for December. Commercial cold storage holdings on Dec. 1 are expected to be 15-20 percent larger than a year ago and will account for most of the increase in supplies. Weekly production of turkey during the month is expected to average 4-8 percent above a year ago.

Marketing specialists also said supplies of fresh grapefruit are expected to be plentiful during December and throughout the 1981-82 shipping season.

Florida is expecting a record-breaking crop of 55 million boxes, 9 percent greater than last season's freeze-damaged crop. The Texas

grapefruit crop is estimated at 10.5 million boxes, an increase of 57 percent over last season.

Combined production of Arizona and California grapefruit is currently estimated at 6.7 million boxes, down 5 percent from last year's crop.

Supplies of fresh winter pears in the markets also will be plentiful. Though 5 percent less than last season's record crop of 244,000 tons, this season's estimated production of 231,000 tons is still quite large. This should guarantee ample supplies throughout most of the winter pear shipping season.

Processed cranberry products also will be plentiful, USDA specialists said. Cranberry production nationwide is slightly less than last year. Since the bulk of the crop is processed, the availability of fresh cranberries in the market will be less than for the processed product.

This year's apple crop is smaller than last season, but fresh apples still will be plentiful.

USDA specialists also expect red meat supplies to be plentiful. Beef, they say, will be plentiful and reasonably priced. Large supplies of competing meats also are available. Weekly production rates for pork are expected to average 5 to 7 percent below the near-record level of a year ago, and only about 2 percent below the record three-year average for December in 1978-80.

Raisins, prunes and nuts also will be plentiful for holiday bakers. Production of natural seedless raisins was estimated at 215 thousand tons. This crop, combined with a carryover of 101 thousand tons should result in supplies only 3 percent below last year. The 1981 prune crop was forecast at 155,000 tons, 8 percent below last year but larger than any other crop since 1977.

California almond production is estimated to be 40 percent higher than in 1980 and 20 percent larger than the previous record crop of 1977. A record large walnut crop is estimated and the filbert crop is estimated at 3 percent below last year, but 15 percent larger than the 1979 crop. 1981 production of pecans is forecast at 84 percent larger than last year's drought-stricken crop and 60 percent more than the 1979 crop. A record peanut crop should top a previous record set in 1979.

Other products in the expected plentiful category include milk and dairy products, sweetpotatoes, broiler-fryers, rice, dry edible beans, and dry split peas.

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USDA TO OPEN AREA PLANT PROTECTION OFFICE IN LIMA, PERU

LIMA, PERU, Nov. 30—Peruvian and United States officials today signed an agreement establishing an area headquarters office in Lima for U.S. Department of Agriculture plant protection and quarantine activities that will be conducted in cooperation with South American countries.

The agreement was signed by Niels Ericson Correa, minister of agriculture for Peru, and Harry Mussman, administrator of USDA's Animal and Plant Health Inspection Service, the agency that will operate the office.

U.S. Ambassador to Peru Frank V. Ortiz, U.S. Agricultural Attache Norval E. Francis and Peruvian officials were present at the signing ceremony.

"The area office is being established in response to recent expansion in international travel and trade that has sharply increased the risk to all countries of spread of destructive agricultural pests and diseases," Mussman said.

"U.S. specialists in the office will work closely with their South American counterparts to minimize the risk in the Western Hemisphere. Their work will expedite movement of agricultural commodities between Latin America and the United States and keep cooperating countries better informed of hazardous pest and disease situations throughout the world," he said.

The area office staff will work with South American specialists to develop a system for collecting and exchanging information about Latin American plant pest and disease conditions. Mussman said they will also have access to similar information worldwide. They will devise a

system to communicate this information to cooperators and thus permit them to react quickly to situations that threaten their agricultural industries.

The headquarters staff will also work with Latin American officials to assure that shipments of U.S. agricultural commodities meet the inspection and quarantine requirements of South American countries.

Some Latin American commodities destined for the United States will be certified by the area office in the country of origin as free from pests and diseases. This procedure helps avoid time-consuming inspection after shipments arrive in the United States, yet provides effective protection against entry of exotic pests and diseases, Mussman said.

The area office will maintain close liaison with the Food and Agriculture Organization of the United Nations, Junta del Acuerdo de Cartagena (Andean Pact Countries), the Inter-American Institute for Cooperation in Agriculture and other international agricultural organizations, Mussman said.

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USDA RESEARCHERS FIND PROMISING NATURAL ENEMIES OF GYPSY MOTH

WASHINGTON, Nov. 30—Two species of parasitic wasps brought by U.S. scientists from India may prove effective in combating the voracious gypsy moth, according to U.S. Department of Agriculture researchers.

In laboratory tests, USDA researchers found the two species of wasps attack and destroy the gypsy moth larvae (caterpillars). The researchers now plan field tests to determine the overall effectiveness of the wasps as biological controls to help curb gypsy moth infestations.

If the field tests prove successful, scientists plan to introduce the wasps as another tool in an ongoing attempt to manage gypsy moth populations.

Gypsy moth caterpillars defoliated about 13 million acres of trees in 1981, mainly in the Northeast. Gypsy moths also have been found in disturbing numbers in insect traps in Alabama, Arkansas, California,

Indiana, Minnesota, North Carolina, Ohio, Oregon, South Carolina, Virginia, West Virginia and Wisconsin.

USDA will make colonies of wasps available to state departments of agriculture and other state agencies beginning next year. These state agencies then will release the wasps in the spring when gypsy moth caterpillars are most destructive.

The wasps lay their eggs in the gypsy moth caterpillars and the wasp larvae eat their way out of the moth caterpillar in about two or three weeks, killing the host caterpillar. As they mature, the new wasps will attack other gypsy moth caterpillars.

According to Joan Wallace, administrator of USDA's Office of International Cooperation and Development, the wasps will cause no disruption to the U.S. environment and pose no threat to other animal species or to humans. "Federal regulations require that researchers obtain permits from USDA's Animal and Plant Health Inspection Service before bringing living research material into the U.S.," she said.

The wasps were held at a quarantine facility where they were studied to see if they presented a biological hazard. Researchers also conducted field tests before plans for mass distribution of the wasps were developed, Wallace said.

Research on the two species of wasp, *Apanteles flavicoxis* and *Apanteles indiensis*, is being conducted at USDA's Beneficial Insects Research Laboratory, Newark, Del., under the direction of Roger W. Fuester of USDA's Agricultural Research Service, and Dr. T. Sankaran, director, Commonwealth Institute of Biological Control, Bangalore, India.

The international cooperative research program is funded under the special foreign currency research program of Public Law 480. The program provides for the use of U.S.-owned currencies in a foreign country which cannot be converted into dollars, but which may be used for scientific research which will benefit U.S. agriculture and the American consumer.

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USDA ANNOUNCES 1982-CROP PEANUT MARKETING QUOTA AND ALLOTMENTS

WASHINGTON, Dec. 1—The 1982 national peanut marketing quota will be 2,043,090 short tons and the national peanut acreage allotment will be at the legislative minimum of 1.61 million acres, 400,000 fewer than 1981, according to Everett Rank, administrator of the U.S. Department of Agriculture's Agricultural Stabilization and Conservation Service.

Over 89 percent of the peanut farmers voting in a referendum last December approved marketing quotas for the 1981, 1982 and 1983 crops. Marketing quotas limit the quantity of peanuts which a producer can market without penalty, Rank said.

In the absence of new legislation by Dec. 1, 1981, the 1982 peanut crop legislative authority reverts to permanent legislation in the Agricultural Adjustment Act of 1938, as amended, he said.

This act provides that the peanut marketing quota be set at the higher of (1) the average quantity harvested during the previous five years, adjusted for production trends and prospective demand or (2) the quantity required to provide the minimum acreage allotment of 1.61 million acres.

According to this formula, the 1982 quota must be set at 2,043,090 tons because this level will provide the minimum acreage allotment, assuming a normal yield of 2,538 pounds per acre—the 1976-80 average adjusted yield.

Rank said legislation currently under consideration in Congress could suspend permanent legislation in the near future. He said if this should occur, USDA will rescind this determination and announce a peanut program under the new legislation.

Additional information is available from the director, analysis division, ASCS-USDA, room 3732-S, Box 2415, Washington, D.C., 20013. (202) 447-5953.

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1982 FLUE-CURED TOBACCO QUOTA UNCHANGED

WASHINGTON, Dec. 1—The 1982 flue-cured tobacco national marketing quota will be 1.013 billion pounds, the same as for the 1981 crop, and should assure adequate production to meet domestic and export needs, according to Everett Rank, administrator of the U.S. Department of Agriculture's Agricultural Stabilization and Conservation Service.

The 1982 national acreage allotment is the same as the 1981 allotment—546,386 acres.

Rank said USDA estimates overmarketings will exceed undermarketings by 32 million pounds, thus making the 1982 effective quota about 979 million pounds, or 133 million pounds below the 1981 effective quota.

He said estimated marketings from the 1982 quota are expected to be 940 million pounds, down 204 million pounds from the 1981 crop.

Supplies of flue-cured tobacco—the quantity on hand at the start of the 1981 marketing year plus 1981 marketings—are about 588 million pounds in excess of the reserve supply level. The reserve supply level is the quantity considered adequate to meet estimated domestic use and export needs.

Flue-cured tobacco is grown principally in Alabama, Florida, Georgia, North Carolina, South Carolina and Virginia.

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USDA TRAPPING RESULTS SHOW GYPSY MOTH SPREADING OUT OF NORTHEAST

WASHINGTON, Dec. 2—Gypsy moth caterpillars, which defoliated about 13 million acres of trees during 1981, appear to be hitchhiking out of the Northeast—with human help.

During 1981, traps turned up new infestations of gypsy moths in Arkansas, California, North Carolina, Oregon, Virginia, West Virginia and Wisconsin, a U.S. Department of Agriculture official said today.

"We're also concerned about small concentrations of male gypsy moths that were trapped in Alabama, Indiana, Minnesota, Ohio and

South Carolina," said Harvey L. Ford, deputy administrator of USDA's Animal and Plant Health Inspection Service.

"These moths had human help in traveling so far from home," Ford said. "The female moths lay eggs in any protected spot out-of-doors, and some of the favorite spots are on vehicles, lawn furniture and camping gear."

When people travel with the infested outdoor equipment or move their households cross-country, moth eggs come along, then hatch and start new infestations, he said.

"We're pleased with results of this past year's treatment programs of isolated infestations in nine states," Ford said, "but it takes scarce reserves of time, money and personnel to knock out the moth. People can keep these new infestations to a minimum if they search out and destroy moth eggs or other life stages before leaving the infested area."

To find the stray moths that could mark the start of new, outlying infestations, state and federal officials and volunteers from the National Campers' and Hikers' Association and other groups set traps—thousands nationwide—baited with a synthetic sex attractant that lures the male moths.

Ford said several hundred moths were trapped in Florida campgrounds, possibly the result of northeastern campers who vacationed there at Easter, when gypsy moth egg masses on their camping equipment were hatching.

Local, state and federal officials in newly infested areas will meet this fall and winter to discuss treatment options, Ford said. The officials will hold public meetings to discuss treatment methods, which may include applying chemical and biological insecticides, using attractants and traps and releasing parasites.

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1981-CROP WHEAT, BARLEY PRODUCERS TO RECEIVE DEFICIENCY PAYMENTS

WASHINGTON, Dec. 2—Eligible wheat farmers soon will receive an estimated \$420 million in deficiency payments on their 1981 crop, while barley farmers will get about \$50 million, according to Everett

Rank, administrator of the U.S. Department of Agriculture's Agricultural Stabilization and Conservation Service.

Deficiency payments are required under the 1981 wheat and barley programs because average market prices received by farmers during the first five months (June through October) of the marketing year were below established target price levels of \$3.81 for wheat and \$2.60 for barley.

National weighted average market prices were \$3.66 per bushel for wheat and \$2.49 per bushel for barley. Thus, eligible producers will be paid 15 cents per bushel for their 1981-crop wheat and 11 cents per bushel for this year's barley.

The 1981 wheat crop totaled about 2.75 billion bushels, while the 1981 barley crop was about 476 million bushels. USDA estimates place the average farm price for these crops this year at \$3.80 to \$3.95 per bushel for wheat and \$2.45 to \$2.60 for barley. If these estimates prove correct, the value of the 1981 wheat crop would be between \$10.44 and \$10.85 billion, while the barley crop would be worth between \$1.17 and \$1.24 billion.

Deficiency payments will be made to wheat and barley farmers who reported their 1981-crop acreage and filed an application for payment with their local ASCS office. Rank said the payment checks will be issued through local ASCS offices as soon as possible after Dec. 10.

The final 1981 national program acreage for barley has been increased from 9.7 to 10.2 million acres and the national program acreage for wheat has been increased from 71.0 to 84.5 million acres. The national program acreage represents the number of acres of a crop needed to meet estimated demand and assure desirable carryover levels, Rank said.

He said a primary factor for increasing the national program acreages for the two commodities was higher-than-expected U.S. exports of barley and wheat this marketing year.

The allocation factor for both wheat and barley is 100 percent. The allocation factor is computed by dividing the national program acreage for a crop by the harvested acreage.

If 1981-crop deficiency payments for sorghum are required, they will be made next April, Rank said. If payments are necessary for rice and cotton, they will be made next February.

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BLOCK TO MEET WITH EUROPEAN COMMUNITY COMMISSION PRESIDENT

WASHINGTON, Dec. 2—Secretary of Agriculture John R. Block will be among four U.S. cabinet officers who will meet with European Community Commission President Gaston Thorn in Brussels Dec. 11.

Block said the group will discuss trade issues between the European Community and the United States. He said he is particularly concerned about European Community export subsidy policies and measures that limit access to the market for U.S. agricultural products.

Besides Block, the Brussels meeting will include Secretary of State Alexander M. Haig, Jr., Secretary of Commerce Malcolm Baldrige and United States Trade Representative William E. Brock.

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USDA RELEASES COST OF FOOD AT HOME FOR OCTOBER

WASHINGTON, Dec. 3—The U.S. Department of Agriculture today released its monthly update of the weekly cost of food at home for October 1981.

USDA's Human Nutrition Information Service computes the cost of food at home for four food plans—thrifty, low-cost, moderate-cost and liberal.

Betty Peterkin, a home economist with the Human Nutrition Information Service, said the plans consist of foods that together provide well-balanced meals and snacks for a week.

USDA assumes all food is bought at the store and fixed at home. Costs do not include alcoholic beverages, pet food, soap, cigarettes, paper goods and other nonfood items bought at the store.

"USDA costs are only guides to spending," Peterkin said. "Families may spend more or less, depending on such factors as where they buy their food, how carefully they plan and buy, whether some food is produced at home, what foods the family likes and how much food is prepared at home.

"Most families will find the moderate-cost or low-cost plan suitable," she said. "The thrifty plan, which USDA uses to set the coupon allotment in the food stamp program, is for families with less money for food. Families with unlimited resources might use the liberal plan."

Details of the four food plans are described in Home and Garden Bulletin No. 94, "Family Food Budgeting. . .for Good Meals and Good Nutrition," which may be purchased for \$1.50 each from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.

COST OF FOOD AT HOME FOR A WEEK IN OCTOBER 1981

	Plans			
	Thrifty	Low-cost	Moderate-cost	Liberal
Families:				
Family of 2 (20-54 years)	\$33.10	\$42.60	\$53.40	\$63.90
Family of 2 (55 years and over)	29.60	37.90	47.10	56.10
Family of 4 with preschool children	46.90	59.80	74.60	89.30
Family of 4 with elementary school children	56.70	72.40	90.70	108.50
Individuals in four-person families:				
Children:				
1-2 years	7.60	9.60	11.90	14.10
3-5 years	9.20	11.50	14.20	17.10
6-8 years	11.80	15.00	18.70	22.40
9-11 years	14.80	18.70	23.50	28.00
Females:				
12-19 years	14.00	17.70	21.90	26.10
20-54 years	13.50	17.30	21.50	25.60
55 and over	12.20	15.60	19.30	22.80

October Retail Food Prices, Percent Changes for Selected Items (Continued)

	Plans			
	Thrifty	Low-cost	Moderate-cost	Liberal
Males:				
12-14 years	15.80	19.90	24.90	29.70
15-19 years	17.20	21.90	27.40	32.90
20-54 years	16.60	21.40	27.00	32.50
55 and over	14.70	18.90	23.50	28.20

To estimate your family food costs

—For members eating all meals at home—or carried from home—use the amounts shown.

—For members eating some meals out, deduct 5 percent from the amount shown for each meal not eaten at home. Thus, for a person eating lunch out five days a week, subtract 25 percent, or one-fourth the cost shown.

—For guests, add 5 percent of the amount shown for the proper age group for each meal.

Costs in the second part of the chart are for individuals in four-person families. If your family has more or less than four, total the "individual" figures and make these adjustments, because larger families tend to buy and use food more economically than smaller ones:

- For a one-person family, add 20 percent.
- For a two-person family, add 10 percent.
- For a three-person family, add 5 percent.
- For a family of five or six persons, subtract 5 percent.
- For a family of seven or more, subtract 10 percent.

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USDA CHARGES ITT CONTINENTAL BAKING CO. WITH VIOLATING P&S FAIR TRADE RULES

WASHINGTON, Dec. 4—The U.S. Department of Agriculture has charged ITT Continental Baking Co., Rye, N.Y., with violating fair trade requirements of the Packers and Stockyards Act through the

operations of the Gwaltney meat packing division in 1978, 1979 and 1980.

ITT no longer owns the Gwaltney meat packing operation, according to B.H. Jones, administrator of USDA's Packers and Stockyards Administration.

Gwaltney is a major meat packer in the Eastern seaboard marketing area. In 1979, it was among the four largest firms that accounted for 40 percent of the total hog slaughter in Eastern seaboard states, and over 75 percent in the areas of Maryland, Virginia and North Carolina.

Jones said USDA has charged ITT Continental, through the operation of Gwaltney, with engaging in unfair trade practices during 1978, 1979 and 1980 by:

- Paying for various "customer outings" to vacation and sporting sites for selected retail food chain store employees who were responsible for buying meat for their firms;
- Making discriminatory "distribution" or "stocking allowance" payments to four separate retail food store chains, while not making similar payments available on proportionately equal terms to all of its retail food store customers which competed with the four chains;
- Conducting a cooperative advertising program with some of its retail food store chains, while not offering similar programs to all competing customers on a proportionately equal basis;
- Making payments to certain food store chains on the basis of a flat amount for advertising Gwaltney meat products rather than for the actual cost of the advertising; and
- Making advertising payments to certain food store chains which exceeded the actual cost of the advertising.

"Filing of the complaint doesn't prove ITT Continental has violated the Packers and Stockyards Act through Gwaltney's operations," Jones said. "The firm has a right to a hearing to determine if the evidence supports the charges.

"If the charges are proven, the firm would be placed under a cease and desist order," he said. "It could also be fined."

The Packers and Stockyards Act is a fair trade practices law. It is designed to promote fair and open competition in the marketing of livestock, poultry and meat.

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INTERSTATE SCREWORM REGULATIONS LIFTED FROM 39 SOUTH TEXAS COUNTIES

WASHINGTON, Dec. 4—Effective Jan. 6, regulations restricting livestock shipments because of screwworms will be lifted from 39 south Texas counties. Successful eradication of the pest throughout the United States and adjacent parts of Mexico makes this action possible, U.S. Department of Agriculture officials said today.

"Prior to today's action, 39 counties in southern Texas were subject to federal rules that called for livestock to be inspected and dipped or sprayed to eliminate potential screwworm infestations," said John K. Atwell, deputy administrator for USDA's Animal and Plant Health Inspection Service.

Lifting the regulations eliminates the expense of dipping the livestock. However, Atwell said, interstate livestock shipments must still be inspected and tested in accordance with all other federal and state animal health regulations.

"The cooperative eradication effort of the United States and Mexico has successfully pushed screwworms southward to the point that migrating screwworm flies no longer threaten U.S. livestock," Atwell said.

Only two screwworm cases were reported in the United States in 1980, and only five cases this year, all in May or before, he said. In 1972, the year with the highest infestation, nearly 100,000 cases were recorded.

The present screwworm eradication program is progressively moving the screwworm barrier zone southward toward the Isthmus of Tehuantepec in southern Mexico, where it will be permanently maintained, Atwell said. Screwworms are eliminated within this barrier zone through the release of millions of artificially reared, sexually

sterile screwworm flies that mate with native screwworm flies, causing them to produce only infertile eggs.

Screwworms are the parasitic larvae of the screwworm fly, and they infest open, untreated wounds. Infestations begin when the female lays eggs on the edge of a wound. The larvae hatch and enter the wound, where they feed on the animal's healthy flesh. When mature, the larvae drop to the soil, pass through a pupal state and emerge as adult flies.

Untreated infestations can seriously injure or kill livestock and wildlife.

Notice of the action eliminating the regulations is scheduled to be published in the Dec. 7 Federal Register.

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USDA REDUCES CALIFORNIA MEDFLY SPRAY AREAS

WASHINGTON, Dec. 4—The number of square miles in California under aerial pesticide treatment for Mediterranean fruit fly has been reduced to reflect progress made in eradicating the pest, U.S. Department of Agriculture officials said today.

"We've dropped the areas with no recent fly finds from our treatment blocks," said Harvey L. Ford, deputy administrator of USDA's Animal and Plant Health Inspection Service, which manages the program with California's Department of Food and Agriculture.

According to Ford, about 210 square miles will still be sprayed over the winter months, but on a 2-week schedule, rather than weekly. About 1,300 square miles were under treatment in California at the height of the infestation last summer.

"In addition, some other program elements will be scaled down to reflect the seasonal decrease in fly activity," he said. According to Ford, close to 100,000 Medfly traps remain in the state. Those in areas of recent fly finds will be serviced weekly, as before, while others will go on a 2-week schedule.

"Barring unexpected finds, we will remain on these treatment and trapping schedules until warmer temperatures trigger increased fly activity in the spring," he said. "At that time, we may pick up flies in

scattered locations, and if conditions dictate we will adjust program operations accordingly."

Ford said people still need to comply with regulations on movement of Medfly hosts.

"Public cooperation has been much improved lately," he said. "One reason may be that less host fruit is available, but I hope it also means people have a better understanding of why they mustn't carry the fruit out.

"The Medfly was originally spread by people," said Ford, "and now we need people's help in containing and eliminating it."

Areas still being treated include all or part of San Mateo, Woodside, La Honda, East Palo Alto, Mountain View, Milpitas, Castro Valley and the Santa Cruz Mountains south of Los Gatos, plus parts of Los Angeles and Stanislaus Counties.

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FARM WOMEN'S FORUM SET FOR FEB. 7-9

WASHINGTON, Dec. 4—"Marketing Strategies for Increased Profits" will be the theme for the second annual U.S. Department of Agriculture's Farm Women's Forum, scheduled for Feb. 7, 8 and 9, at USDA headquarters in Washington.

Secretary of Agriculture John R. Block said the purpose of the meeting is "to provide farm women with marketing strategies to aid in strengthening the producers' profit margin. With bountiful crops and low producer income, the challenge now for agricultural producers is how to market their harvest profitably. It is my intention that the U.S. Department of Agriculture direct its resources toward assisting producers in meeting this challenge."

The forum program will include top government and industry officials who will provide usable, practical information on such topics as market forecasting, use of home computers, cooperative marketing, electronic marketing, marketing orders, boards of trade and how they work, domestic and foreign market development.

The first such USDA-sponsored meeting for farm women was held in October 1980 and focused on legislative processes. Some 60 women attended, representing leading farm and farm women's organizations.

Application to attend the 1982 conference is open to all farm women. They need not be representatives of a farm organization to attend. However, because of space limitations, participation will be limited to 100 women on a first-come-first-served basis with consideration for geographical representation. Attendance at the Forum is free, but housing and transportation expenses must be paid by the participants.

Farm women interested in attending may obtain registration materials and information from: Farm Women's Forum, Office of the Secretary, Public Liaison, U.S. Department of Agriculture, Washington, D.C. 20250, Telephone: (202) 447-3622.

Registration by mail must be returned by Jan. 5. The first 100 registrants will be notified by Jan. 10.

Cindy Wilhite, deputy assistant to the secretary for special projects, is coordinator for the forum.

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PAYMENTS TO STATES TOTAL \$230 MILLION FOR 1981

WASHINGTON, Dec. 4—More than \$230 million will be paid to 40 states and Puerto Rico as their shares of national forest receipts in fiscal year 1981, Secretary of Agriculture John R. Block said today.

An interim payment of \$171 million, based on estimated revenues, was paid Oct. 1, Block said. Checks with the final payment of \$59 million are being mailed today.

The checks represent 25 percent of the revenues collected by the U.S. Department of Agriculture's Forest Service from timber sales, grazing, recreation, mineral and other land use charges on 187 million acres of national forests. Credits made to timber purchasers for building roads and funds collected and used by the Forest Service to improve timber sale areas are included. Total national forest receipts for FY 1981 were \$917 million, Block said.

By law, 25 percent of these revenues are returned annually to the states where those lands are located. The funds are to be used for schools and roads.

The State of Oregon will receive the largest payment in 1981—\$95.1 million. California will receive \$41 million and Washington, \$29.4 million.

Following are the states and their FY 1981 payments:

SUMMARY OF PAYMENTS TO STATES FROM FROM NATIONAL FOREST RECEIPTS

FISCAL YEAR 1981

State	1981 Total
Alabama	\$1,444,326.77
Alaska	3,446,290.31
Arizona	5,856,807.02
Arkansas	3,727,690.96
California	41,026,578.24
Colorado	1,805,801.58
Florida	1,564,731.18
Georgia	997,224.68
Idaho	9,066,232.03
Illinois	98,386.19
Indiana	115,223.27
Kentucky	203,837.41
Louisiana	1,998,504.74
Maine	18,470.26
Michigan	807,638.31
Minnesota	1,137,343.75
Mississippi	5,781,472.74
Missouri	2,817,660.72
Montana	8,079,709.34
Nebraska	56,357.56
Nevada	285,596.69
New Hampshire	275,461.10

***Summary Of Payments To States From National
Forest Receipts (continued)***

New Mexico	2,483,085.24
North Carolina	775,424.73
North Dakota	64.22
Ohio	96,364.57
Oklahoma	506,462.81
Oregon	95,112,708.07
Pennsylvania	874,177.43
South Carolina	3,398,529.21
South Dakota	508,571.80
Tennessee	254,391.40
Texas	2,719,485.39
Utah	975,903.18
Vermont	104,815.23
Virginia	388,050.52
Washington	29,396,778.66
West Virginia	314,694.42
Wisconsin	498,722.22
Wyoming	1,024,103.71
Puerto Rico	7,660.09
Total	\$230,051,337.75

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